

2. Structure of U.S. Agriculture

■ Farming Regions

The 10 major farm production regions in the United States differ in soils, slope of land, climate, distance to market, and storage and marketing facilities. Together they comprise the agricultural face of the Nation.

The Northeastern States and the Lake States are the Nation's principal milk-producing areas. Climate and soil in these States are suited for raising grains and forage for cattle and for providing pastureland for grazing. Broiler farming is important in Maine, Delaware, and Maryland. Fruit and vegetables are also important to the region.

The Appalachian region is the major tobacco-producing region in the Nation. Peanuts, cattle, and dairy production are also important there.

In the Southeast region, beef and broilers are important livestock products. Fruits, vegetables, and peanuts are grown in this region. Big citrus groves and winter vegetable production areas in Florida are major suppliers of agricultural goods. Cotton production is making a comeback.

In the Delta States, the principal cash crops are soybeans and cotton. Rice and sugarcane are also grown. With improved pastures, livestock production has gained in importance. This is a major broiler-producing region.

The Corn Belt has rich soil and good climate for excellent farming. Corn, beef, cattle, hogs, and dairy products are the major outputs of farms in the region. Other feed grains, soybeans, and wheat are also important.

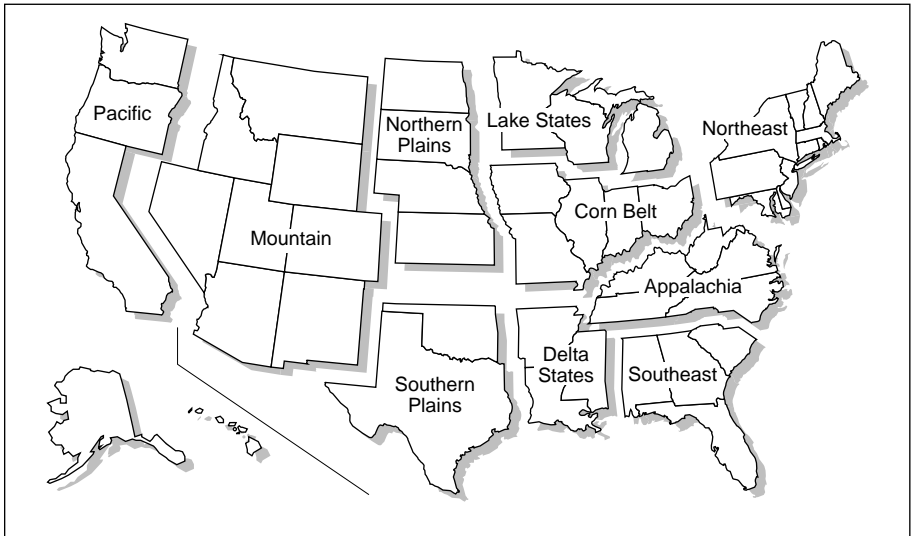
Agriculture in the Northern and Southern Plains, which extend north and south from Canada to Mexico, is restricted by rainfall in the western portion and by cold winters and short growing seasons in the northern part. About three-fifths of the Nation's Winter and Spring wheat is produced in this region. Other small grains, grain sorghum, hay, forage crops, and pastures form the basis for raising cattle. Cotton is produced in the southern part.

The Mountain States provide a still different terrain. Vast areas of this region are suited for raising cattle and sheep. Wheat is important in the northern parts. Irrigation in the valleys provides water for such crops as hay, sugar beets, potatoes, fruits, and vegetables.

The Pacific region includes the three Pacific Coast States plus Alaska and Hawaii. Farmers in Washington and Oregon specialize in raising wheat, fruit, and potatoes; vegetables, fruit, and cotton are important in California. Cattle are raised throughout the region. In Hawaii, sugarcane and pineapples are the major crops. Greenhouse/nursery and dairy products are Alaska's top-ranking commodities.

Figure 2-1.

U.S. farm production regions



■ Farms and Land in Farms

The United States had 2.19 million farms in 1998, up fractionally from 1997. A farm is defined as any establishment from which \$1,000 or more of agricultural products were sold or would normally be sold during the year. The number of farms declined less than 1 percent, overall, during the period 1988 through 1998.

Land in farms continues to decline slowly; the total of 954 million acres in 1998 is down 0.2 percent from a year earlier and down 4.1 percent from 1988. Land in farms has declined every year since reaching its peak at 1.206 billion acres in 1954. The average size of farms decreased from 452 acres in 1988 to 435 acres in 1998, while the number of farms declined at a smaller rate over the same period.

Table 2-1.

Number of farms, land in farms, average farm size:
United States, June 1, 1988-98^{1, 2}

<i>Year</i>	<i>Number of Farms</i>	<i>Land in Farms</i>	<i>Average Farm Size</i>
	<i>In 1,000</i>	<i>In 1,000 acres</i>	<i>In acres</i>
1988	2,201	994,423	452
1989	2,175	990,723	456
1990	2,146	986,850	460
1991	2,117	981,736	464
1992	2,108	978,503	464
1993	2,201	968,845	440
1994	2,198	965,935	440
1995	2,196	962,515	438
1996	2,191	958,675	438
1997	2,191	968,010	436
1998	2,192	953,765	435

¹A farm is any establishment from which \$1,000 or more of agricultural products were sold or would normally be sold during the year.

²1988-92 estimates are for a June 1 reference date. 1993-98 estimates are for the entire calendar year.

Source: U.S. Department of Agriculture, National Agricultural Statistics Service, Farms and Land in Farms

■ Farms by Sales Class

Farms are commonly classified in size groups based on the total value of their gross farm sales. Data from USDA, National Agricultural Statistics Service's annual Farms and Land in Farms report show that the greatest number of farms is in the lower sales classes, with over 64.3 percent reporting gross farm sales of less than \$20,000 in 1998. According to the survey, these small farms accounted for only 20 percent of the acreage operated. A relatively small number of very large farms produce the largest share of farm sales. Only 3.1 percent of the farms in 1998 were large operations with sales of \$500,000 or more, but they operated 17.6 percent of the land. Average farm size increases consistently with sales class, ranging from 68 acres per farm in the less than \$2,500 category to 2,471 acres for farms with receipts of \$500,000 or more.

Table 2-2.

Number of farms and land in farms: by State and United States,
June 1, 1993-98¹

State	Farms			Land in farms		
	1993	1994	1995	1993	1994	1995
	Number of farms			1,000 Acres		
AL	46,000	46,000	47,000	10,000	10,200	10,200
AK	530	520	520	940	930	920
AZ	7,400	7,400	7,400	35,500	35,400	35,400
AR	45,000	44,000	43,000	15,300	15,100	15,000
CA	79,000	79,000	80,000	30,000	29,900	30,000
CO	25,500	25,300	25,000	32,800	32,700	32,700
CT	3,800	3,800	3,800	400	390	380
DE	2,500	2,500	2,500	570	570	570
FL	39,000	39,000	39,000	10,300	10,300	10,300
GA	46,000	45,000	45,000	12,100	12,100	12,000
HI	4,800	4,800	4,800	1,590	1,590	1,590
ID	20,500	20,500	21,500	13,500	13,500	13,500
IL	79,000	77,000	77,000	28,100	28,100	28,100
IN	63,000	63,000	62,000	16,000	16,000	15,900
IA	102,000	101,000	100,000	33,300	33,200	33,200
KS	65,000	65,000	66,000	47,800	47,800	47,800
KY	91,000	89,000	89,000	14,100	14,100	14,000
LA	29,000	28,000	27,000	8,600	8,400	8,500
ME	7,300	7,600	7,600	1,400	1,360	1,350
MD	15,000	14,500	14,300	2,200	2,200	2,200
MA	6,200	6,000	6,000	610	600	570
MI	52,000	52,000	54,000	10,700	10,700	10,700
MN	87,000	85,000	87,000	29,700	29,700	29,800
MS	39,000	39,000	42,000	12,800	12,800	13,000
MO	106,000	105,000	105,000	30,200	30,100	30,000
MT	23,800	22,500	22,000	59,800	59,700	59,700
NE	55,000	55,000	56,000	47,100	47,100	47,000
NV	2,400	2,400	2,500	8,900	8,800	8,800
NH	2,500	2,400	2,300	440	440	440
NJ	8,900	8,900	9,000	870	860	850
NM	13,500	13,500	13,500	44,200	44,200	44,000
NY	37,500	36,000	36,000	8,100	7,900	7,700
NC	59,000	58,000	58,000	9,400	9,300	9,200
ND	32,500	32,000	32,000	40,400	40,400	40,300
OH	76,000	75,000	74,000	15,200	15,200	15,200
OK	70,500	70,000	71,000	34,000	34,000	34,000
OR	37,500	38,000	38,500	17,500	17,500	17,500
PA	51,000	51,000	50,000	7,900	7,800	7,700
RI	700	700	700	63	63	63
SC	24,000	23,000	22,000	5,150	5,100	5,050
SD	34,500	34,000	33,000	44,200	44,200	44,000
TN	84,000	83,000	81,000	12,100	12,000	12,000
TX	200,000	200,000	202,000	30,000	129,000	129,000
UT	13,000	13,000	13,400	11,200	11,100	11,100
VT	6,400	6,200	6,000	1,430	1,400	1,370
VA	45,000	46,000	47,000	8,600	8,600	8,600
WA	36,000	36,000	36,000	16,000	15,800	15,800
WV	20,000	20,000	20,000	3,700	3,700	3,700
WI	79,000	79,000	80,000	17,100	16,900	16,900
WY	9,200	9,200	9,200	34,600	34,600	34,600
US	2,083,430	2,064,720	2,071,520	976,463	973,403	972,253

Table 2-2 continued.

Number of farms and land in farms: by State and United States,
June 1, 1993-98¹

State	Farms			Land in farms		
	1996	1997	1998	1996	1997	1998
	Number of farms			1,000 Acres		
AL	49,000	49,000	49,000	9,700	9,600	9,500
AK	550	560	560	920	910	910
AZ	7,900	7,900	7,900	28,300	28,300	28,300
AR	49,500	49,000	49,500	14,900	14,800	14,750
CA	86,000	87,000	89,000	29,000	28,700	28,500
CO	29,500	29,500	29,500	32,500	32,500	32,200
CT	4,100	4,100	4,100	380	380	380
DE	2,800	2,800	2,700	590	585	580
FL	45,000	45,000	45,000	10,700	10,600	10,600
GA	49,000	49,000	50,000	11,400	11,300	11,300
HI	5,400	5,500	5,500	1,440	1,440	1,440
ID	24,000	24,500	24,500	12,100	12,000	12,000
IL	79,000	79,000	79,000	27,900	27,800	27,800
IN	66,000	66,000	66,000	15,600	15,600	15,600
IA	99,000	98,000	97,000	33,000	33,000	33,000
KS	65,000	65,000	65,000	47,500	47,500	47,500
KY	92,000	91,000	90,000	14,000	13,900	13,900
LA	30,000	30,000	30,000	8,300	8,200	8,200
ME	7,200	7,000	6,900	1,310	1,280	1,280
MD	13,700	13,000	12,500	2,200	2,200	2,100
MA	6,000	6,000	6,000	570	570	570
MI	54,000	53,000	52,000	10,600	10,400	10,400
MN	82,000	81,000	80,000	29,200	29,100	28,900
MS	42,000	42,000	42,000	11,900	11,700	11,600
MO	110,000	110,000	110,000	30,100	30,100	30,100
MT	26,500	27,000	27,500	58,500	57,800	57,500
NE	56,000	55,000	55,000	46,400	46,400	46,400
NV	3,000	3,000	3,000	6,900	6,900	6,900
NH	2,900	3,000	3,100	420	420	420
NJ	9,500	9,600	9,600	840	830	830
NM	15,500	15,500	16,000	45,100	45,300	45,300
NY	38,000	38,000	38,000	7,800	7,800	7,800
NC	59,000	59,000	58,000	9,500	9,500	9,400
ND	32,000	31,500	31,000	39,900	39,700	39,500
OH	78,000	79,000	80,000	14,900	14,900	14,900
OK	82,000	83,000	83,000	34,000	34,000	34,000
OR	38,500	39,000	39,500	17,500	17,500	17,200
PA	59,000	60,000	60,000	7,600	7,700	7,700
RI	750	750	750	65	65	65
SC	25,000	25,000	25,000	5,000	5,000	4,900
SD	32,500	32,500	32,500	44,000	44,000	44,000
TN	91,000	91,000	91,000	12,000	12,000	11,900
TX	224,000	225,000	226,000	132,000	131,500	131,500
UT	15,000	15,000	15,000	11,400	11,600	11,600
VT	6,500	6,600	6,700	1,340	1,330	1,340
VA	49,000	49,000	49,000	8,800	8,800	8,800
WA	39,000	39,000	40,000	15,700	15,700	15,700
WV	21,000	21,000	21,000	3,700	3,700	3,700
WI	79,000	79,000	78,000	16,600	16,500	16,400
WY	9,200	9,200	9,200	34,600	34,600	34,600
US	2,190,500	2,190,510	2,191,510	958,675	956,010	953,765

¹A farm is any establishment from which \$1,000 or more of agricultural products were sold or normally would be sold during the year. Source: USDA/ National Agricultural Statistics Service, Farms and Land in Farms.

Table 2-3.

Percent of farms and land in farms: by economic sales class,
United States, 1997-98¹

<i>Economic class (gross value of sales)</i>	<i>Percent of total</i>				<i>Average size of farms (acres)</i>	
	<i>Farms</i>		<i>Land</i>		1996	1997
	1996	1997	1996	1997		
\$1,000 - \$2,499	27.4	27.6	4.4	4.3	70	68
\$2,500 - \$4,999	14.6	14.7	4.4	4.4	132	130
\$5,000 - \$9,999	12.4	12.1	5.4	5.5	190	198
\$10,000 - \$19,999	9.9	9.9	5.8	5.8	256	255
\$20,000 - \$39,999	9.0	8.9	7.4	7.3	359	357
\$40,000 - \$99,999	10.6	10.5	17.0	16.8	700	696
\$100,000 - \$249,999	9	8.9	24.0	23.5	1,164	1,149
\$250,000 - \$499,999	4.1	4.3	14.2	14.8	1,512	1,498
\$500,000 +	3.0	3.1	17.4	17.6	2,531	2,471
Total	100.0	100.0	100.0	100.0	436	435

¹A farm is any establishment from which \$1,000 or more of agricultural products were sold or normally would be sold during the year. Source: U.S. Department of Agriculture, National Agricultural Statistics Service

■ Legal Structure of U.S. Farms (Individual, Partnership, Corporation)

Type of organization refers to the farm's form of business organization. Farms may broadly be classified as individual operations (proprietorships), partnerships, or corporations (family and nonfamily). Agricultural Resource Management Study data indicate that individual operations are the most common type of farm organization. Nine out of ten farms in the 1997 survey were classified as individual operations. Partnerships and corporations make up a very small share of farms. About 85 percent of farm corporations are family corporations, with more than 50 percent of the stock held by people related by blood or marriage. Individual operations account for the largest share of farmland (75 percent) and gross farm sales (60 percent). Corporate farms have the highest average farm sales. The average value of gross farm sales by corporate farms in 1997 was \$724,867, while partnerships averaged \$243,464. Gross sales for individual operations averaged \$53,518, less than one-quarter of the corporate level. Average acreage was also higher for corporate farms (2,024 acres) and for partnerships (1,006 acres) than for individual operations (373 acres).

■ Land Tenure

Land tenure describes the farm operator's ownership interest in the land farmed. The major land tenure categories are (1) full owners, who own all the land they operate; (2) part owners, who own some and rent the remainder of their land; and (3) tenants, who rent all of their land or work on shares for others. The majority of farms in the 1997 Agricultural Resource Management Study (55 percent) reported full ownership of the land they operated, while 35 percent owned part and rented part of the farmland they operated. Only 9 percent of operations reported that they rented all of their land.

Part owners generally operate the largest farms, averaging 800 acres in 1997, followed by tenants with 545 acres and full owners with 219 acres per farm. Part owners account for the largest share of acreage operated (62 percent of the total in 1997).

Gross farm sales are also concentrated on part-owner operations (54 percent of gross farm sales in 1997). The average value of gross farm sales for part owners in 1997 was \$125,867, about \$8,988 less than the average for tenants at \$134,855. Gross farm sales for full-owner operations were much smaller, averaging \$45,632.

■ Major Uses of U.S. Cropland

The major uses of U.S. cropland include cropland harvested, summer fallow, land idled in Federal programs, and crop failure. Cropland harvested peaked in 1981 at 351 million acres. Harvested cropland declined to 287 million acres in 1988 and is estimated at 314 million acres in 1998. Summer fallow acreage ranges between 20 million and 34 million acres per year. Cropland idled in Federal commodity and conservation programs has ranged from none in 1980 and 1981 to 78 million acres in 1983 and 1988. Crop failure generally varies within a range of 5-11 million acres per year. The noticeable differences are often the result of weather conditions such as the drought in 1988, or the flood and wet weather at planting time in 1993.

In 1983, the sharp decline in cropland harvested was the result of "PIK" (payment-in-kind), a USDA land retirement program that paid for the land retirement with surplus commodities. The idle acreage in 1983 included nearly 49 million acres in the PIK program and more than 29 million acres in the Acreage Conservation Reserve and Paid Land Diversion programs.

■ Acreage Harvested of Major Crops

The harvested acreage of corn in recent years has varied from 51.5 million acres in 1983 to 75.2 million acres in 1985, largely as the result of Federal acreage reduction programs. The PIK program idled nearly 22 million acres of corn acreage in 1983. Wheat acreage has ranged between a high of 80.6 million acres in 1981 to a low of 53.2 million acres in 1988. The PIK program removed about 18 million acres of wheat base from production in 1983. Barley and oat acreage harvested have been declining since the early 1970's. Acreage has tended to shift out barley and oats to the more profitable crops. Soybean acreage harvested has fluctuated as the relative prices of soybeans and corn changed and as prices for soybeans in the world market were more or less favorable. Soybean acreage was at a 24-year high in 1998, at 70.8 acres.

Figure 2-2.

Major uses of U.S. cropland, 1974-98

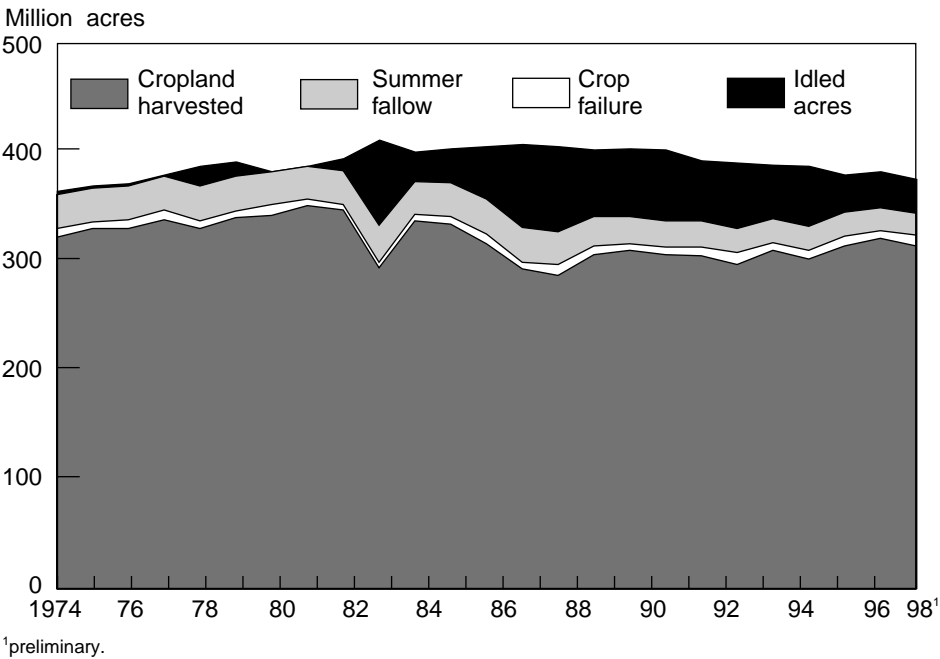
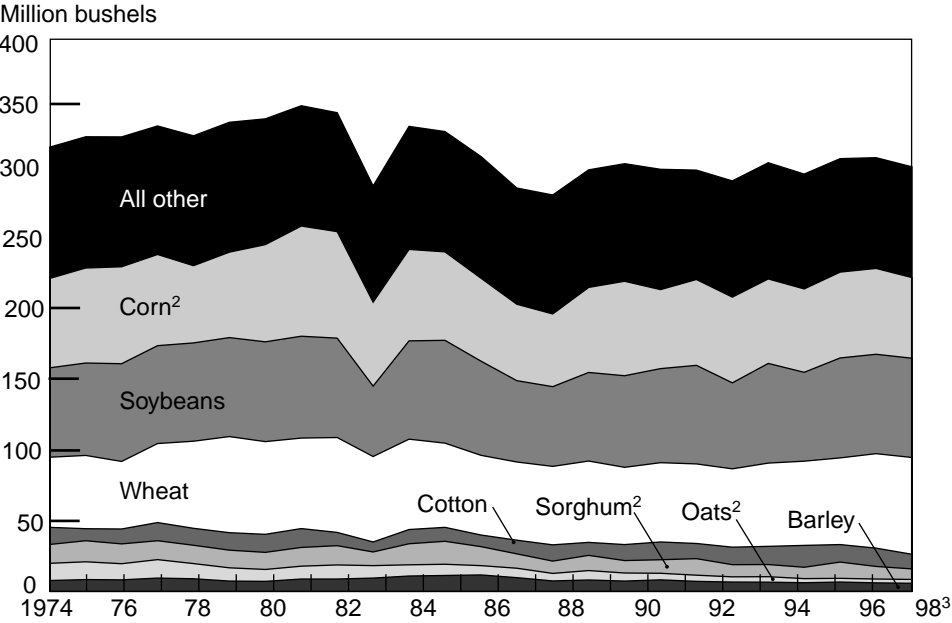


Figure 2-3.
Acreage harvested of specified crops, 1974-98¹



¹Includes the 48 conterminous States.

²Corn and sorghum for grain.

³Preliminary.